NASA Leasing Study

Section 1115 of the National Aeronautics and Space Administration Authorization of 2008 (P.L. 110-422), required NASA to conduct a study of leasing practices at all of its field Centers

Requirement

- The Administrator shall complete a study on the leasing practices of all field Centers to include;
  - The method by which overhead maintenance expenses are distributed among tenants,
  - Identification of the impacts on attracting businesses and partnerships as tenants, and
- The Administrator shall submit a report including;
  - The findings,
  - A description of the impacts and mitigation.

Out-Grants

- The term “Out-Grant/s,” as used in the report means any transaction for use of NASA real property by others, including but not limited to:
  - contracts,
  - leases,
  - licenses,
  - permits,
  - memoranda of understanding, memoranda of agreement, or
  - other transactions including easements and rights-of-way..

Findings

- Reasons for Out-Grants
- Benefits of Out-Grants
- Types of Out-Grants
- Summary of Out-Grants
- Distribution of Expenses
- Identification of the Impacts

Reasons for Out-Grant Activities

- Promote public-private partnerships to leverage intellectual capital that benefit and support a Center's or NASA's mission
- Contribute to national, regional and state academic institutions to
  - (i) involve educational programs that foster NASA's mission, or
  - (ii) pursue science, aerospace research and technology initiatives
- Out-grant space for short term testing or other scientific uses for unique or specialized facilities.
- Co-location of other compatible Federal agencies to provide economies of scale for the execution of Federal Agency missions

Benefits of Out-Grant Activities

- **Fully utilize NASA assets to reduce the overhead costs associated with each Center,**
- **Defray the costs of maintaining and improving the Center’s aged and expanded infrastructure, and**

Authorities/Types of Out-Grants

Space Act

- The Space Act authorizes NASA "…to lease to others such real and personal property" (Section 203(c)(3)) .
- Two primary out-grants under the authority of the Space Act
  - Reimbursable Space Act Agreements (RSAA) and
  - Non-Reimbursable Space Act Agreements (NRSAA)
- Space Act also includes Concessionaire Agreement (CA) and Enhanced Use Lease (EUL)

Authorities/Types of Out-Grants

National Historic Preservation Act

- Permits NASA to out-grant historic property and retain the proceeds for up to two fiscal years to defray the cost of administration, maintenance, repair, and related expenses incurred by NASA with respect to a property

Economy Act

- Provides authorization for Federal agencies to request and perform reimbursable work for other Federal agencies

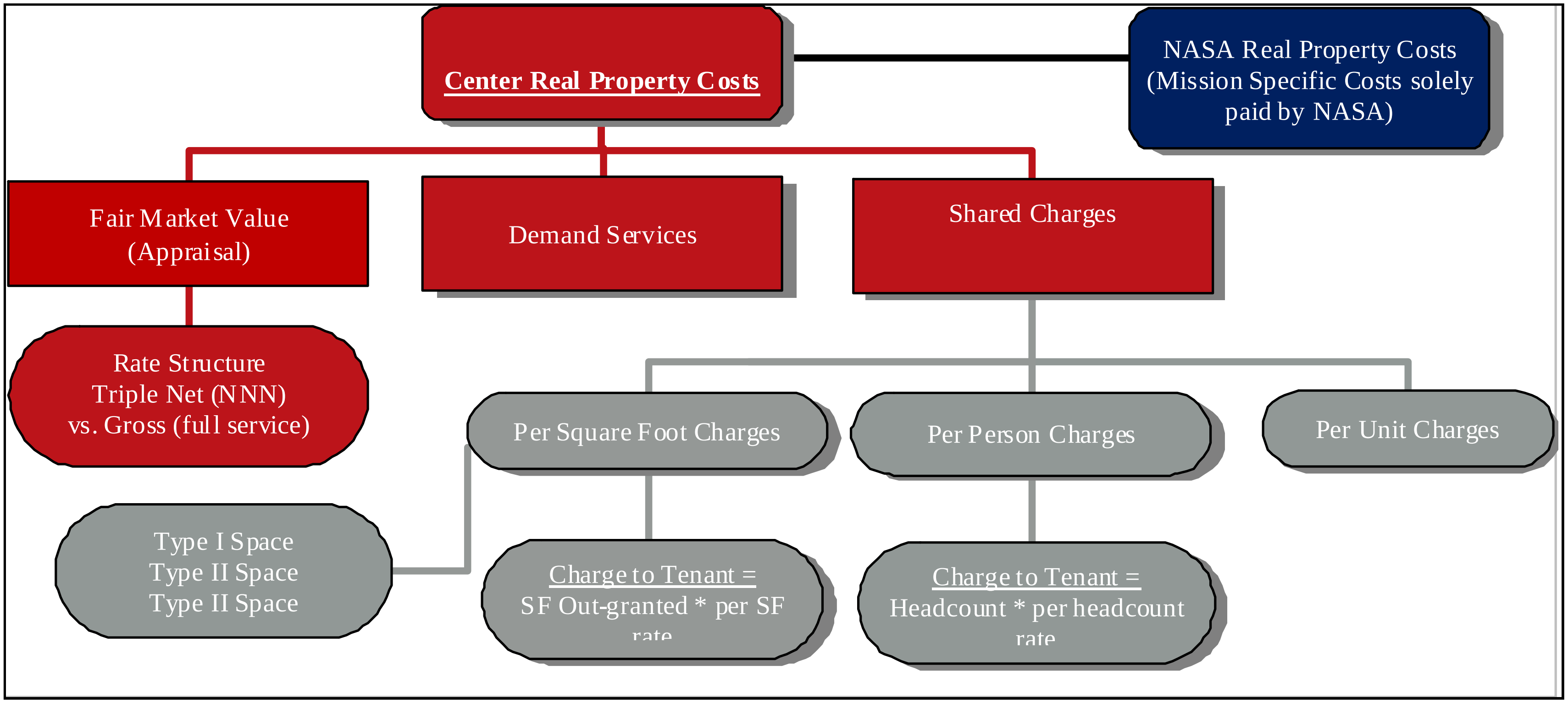
Commercial Space Launch Act (49 U.S.C. 701)

- Governs the sale of launch services– the contract is for the service provided rather than for an out-grant of real property .

Summary of Out-Grants

Type of Out-Grant	Total	Space Act				NHPA	EA	CSLA
		RSAA	NRSAA	CA	EUL			
ARC *	66	14	-	-	48	1	3	-
DFRC	0	-	-	-	-	-	-	-
GRC *	58	22	35	1	-	-	-	-
GSFC	8	-	8	-	-	-	-	-
JPL	0	-	-	-	-	-	-	-
JSC *	54	8	46	-	-	-	-	-
KSC *	142	6	16	110	10	-	-	-
LaRC	10	6	4	-	-	-	-	-
MSFC	10	5	1	4	-	-	-	-
MAF	20	14	6	-	-	-	-	-
SSC *	107	64	35	8	-	-	-	-
WFF	27	11	15	-	-	-	-	1
WSTF	0	-	-	-	-	-	-	-
TOTAL	502	150	166	123	58	1	3	1

Methods Expenses Distributed: Types of Charges



- **Shared Charges**: NASA and tenants agree to O&M costs on a square foot, per person, and/or per unit basis
- **Demand Services**: NASA charge to tenants for specialized services. Center CMO charge may be added to these charges to ensure that the Government is fairly reimbursed.
- **Fair Market Value**: Market price rent for service (Space Act Agreement) or facilities (lease and EUL).

Identification of Impacts

- The methodology for determining costs are consistent with normal real estate practices,
  - and the resulting rates are fair and reasonable
- The costs associated with NASA's unique facilities and capabilities are imbedded in NASA's overall real property costs and, therefore,
  - the cost of being on a NASA Center site is generally more expensive than the cost of being in a private sector facility that does not have these characteristics.

Identification of Impacts - continued

- Costs associated with the current disrepair and deferred maintenance of certain facilities at Centers may create an obstacle to out-granting.
- For charges based on FMV, there is no meaningful economic difference between locating on a NASA Center or in the private sector.
- Tenants receive fair and reasonable rate adjustments to accommodate the increased or decreased cost associated with utilization of NASA’s unique services, facilities, and synergies.